exchange ratio depends upon the trend of international trade obtaining at a given point of time. There is data given by PTI and your data is available. I am not going to say that PTI data is perfectly correct since the Minister is making a statement on the floor of the House, we have to take the Minister's statement as one to be believed. But, yet, the Minister himself has admitted that the value of rupee is going down in relation to the dollar in percentage of value. The main question of my hon friend, Mr. Chitta Basu was that the value of certain other currencies was going up in relation to the dollar and in that background what were the reasons for the Indian rupee going down in relation to the dollar? Our Minister has quoted certain figures of rise in the export figure and rise in the import figure but these are in absolute terms. When he quoted certain percentage of rise in exports, it means that it rose in relation to the exports of the corresponding year or the corresponding period previously. Similarly, when he quoted the rise in imports such a rise might have taken place in relation to the corresponding year, last year or last month or whatever it is, he has not mentioned the period. But this is one factor only, there are other factors also. He has also used another word 'dollar term', the increase in export trade and import trade in dollar terms. May I know from the Minister, what exactly the terms of trade is now obtaining between the USA and India? I am telling you terms of trade not the balance of payments or balance of trade. I understand that you know the meaning of 'terms of trade'. In that case, one will be in a position to understand the exact impact of the trend of the international trade on the comparative exchange ratio between the dollar and the Indian rupee.

SHRI EDUARDO FALEIRO: The specific question regarding terms of trade would better be addressed to my colleagues in the Ministry of Commerce. (Interruption). However, so far as trade generally and the stability of our trade are concerned, we have made concerted efforts for upgradation of technology so that our exports become more competitive. We have also made concerted efforts for import substitution. To strengthen our infrastructural base and to improve on it, some amount of imports are necessary. This is on the short-term aspect of it to make our trade more competitive and more favourable. On the long-term aspect, the problem remains that of changing the domination of industrialised countries over the international market forces and therefore, there is the need for a new international economic order which is more equitable.

*182. [The questioner (Shri Basudeb Mohapatra) was absent. For answer vide col. 33 infra].

**World Bank Assistance for Environment Projects**

*183. SHRIMATI VEENA VERMA:† SHRI KAPIL VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the World Bank proposes to provide funds to India for environmental projects; if so, what are the details thereof;

(b) whether his Ministry has already started preliminary discussions on potential projects with the World Bank environment team; and

(c) which are the projects identified to be executed from this fund?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) An overall figure of likely World Bank assistance is determined at the Aid India Consor-

†The question was actually asked on the floor of the House by Shrimati Veena Verma.

tium Meeting held each year. Commitments are against specific project investments in different sectors. The details of such projects, and the sectoral composition of the Bank assistance for the current fiscal year is still not decided, since this would depend upon the status of project preparation and processing. No environmental project is under consideration for Bank assistance in the current fiscal year.

SHRIMATI VEENA VERMA: Sir, my difficulty is that the question was addressed to the Environment Ministry, as you will find from the list of questions, but, only yesterday. I was informed that the question will be answered by the Finance Minister. May I know from the hon. Minister whether a World Bank environment team visited Delhi a month ago for discussions about the potential projects to be taken up with World Bank assistance, whether two projects identified in this connection are the Coal India's Rs. 1300 crore plan to rehabilitate old mines and a scheme in connection with a Rs. 75 crore project being taken up in Singareni and whether the Government is asking for World Bank assistance for these projects in the next couple of years?

SHRI EDUARDO FALEIRO: Sir, a World Bank mission did visit in October, 1988 with the object of helping the Bank develop for itself a clear and an overall view of the issues relating to the environment in India and the manner in which they are being addressed. No specific projects were discussed and the discussions were in the general context.

SHRIMATI VEENA VERMA: Whether the Government is examining the possibilities of seeking assistance from the World Bank. (Interruptions) or its affiliate, the International Development Association, for the other projects like anti-pollution measures in respect of tanneries and several other polluting industries? If so, what are the details?

SHRI EDUARDO FALEIRO: As the hon. Member knows and as the House is aware, there is a definite procedure for identifying projects for World Bank assistance and that involves State Governments, the administrative machinery and the Department of Economic Affairs. Also, pipeline projects and broad outlines have to be submitted by State Governments. They have to be examined by the concerned administrative machinery and then the financial implications are looked into by the Department of Economic Affairs in the Ministry of Finance. In this process, the World Bank also gets involved in preliminary discussions and therefore, a cut and dried reply cannot be given unless the procedure is gone through.

SHRI KAPIL VERMA: I would like to know whether the World Bank has announced, on September 28th,—the Environment Minister may note—that it will reappraise the Narmada Sagar project which it had approved, from the environment angle as it displaces one lakh people. I want to know what the exact position is. Has the reappraisal started? What steps are being taken to provide alternative livelihood to those displaced by the Narmada Sagar Project? Secondly, I want to know whether the Government has decided to review again on environmental considerations the proposed dam on the Tapti river in Madhya Pradesh and whether the World Bank has been asked not to go ahead with the original design as it submerges prime forest land in Bustar district which is inhabited by lakhs of tribal people.

SHRI EDUARDO FALEIRO: As the honourable Member has pointed out, I would not have this information. It is for the Ministry of Environment.

SHRI KAPIL VERMA: It is addressed to the Environment Minister. He can ask him to reply.

SHRI EDUARDO FALEIRO: How can I?

SHRI KAPIL VERMA: It appears that the Environment Minister has the information. Why does he not reply? I would request the Environment Minister to reply.

MR. CHAIRMAN: The major thrust of the question is why it has been transferred to Finance. Now, Prof. Lakshmanna.

PROF. C. LAKSHMANNA: The thrust of the question is something and the answer given is something else. Both (a) and (b) are very specific: (a) whether the World Bank proposes to provide funds for India for environmental projects; and (b) whether the Ministry has already started preliminary discussions. The entire answer is something else. Only towards the end it is stated in the answer: "No environmental project is under consideration for Bank assistance in the current fiscal year." The question asked is something else. I, therefore, ask specifically: If there have to be discussions with the World Bank it can be on the basis of projects that have been formulated in India. I would like to know from the Ministry whether any particular project or projects has been or have been under consideration of the Ministry which they propose to discuss with the World Bank or whether everything will be left only to the World Bank and only when the World Bank has proposed something that we are going to discuss with them. What are the projects under consideration of the Ministry to be discussed with the World Bank? Are there any projects at all?

SHRI EDUARDO FALEIRO: There is no question of World Bank proposing and we accepting. It is the other way round. We propose and the World Bank accepts. As far as projects which are presently under consideration are concerned, it is not the practice of this House to give such details because at any moment we may go back. So it is not done...

PROF. C. LAKSHMANNA: We are only asking for names.

SHRI EDUARDO FALEIRO: I would like to mention this that all social forestry projects have an environmental angle. At the moment there are several projects where this environmental angle is involved and the projects also involve World Bank assistance. I may mention a few of them. West Bengal Social Forestry Project, Haryana and Jammu and Kashmir Social Forestry Project, Karnataka Social Forestry Project, Kerala Social Forestry Project, National Social Forestry Project, U.P. Urban Development Project. These are some of the projects which have an environmental angle which are presently being implemented or are in the process of being implemented with World Bank assistance.

DR. G. VIJAYA MOHAN REDDY: We have seen several statements appearing in the press that World Bank will come in a big way for flood control because it affects environment. I want to know whether there are any specic projects postulated by the Government of India, in view of the devastating floods, to take World Bank assistance to control floods and save environment and improve productivity in the country—for the tributaries of the Ganges, the Brahmaputra, which are ravaging the north-eastern region.

SHRI EDUARDO FALEIRO: This is a separate question and I will require notice.

MR. CHAIRMAN: It does not arise out of this question.

SHRI NARREDDY THULASI REDDY: Other than World Bank what are the other international agencies cooperating with the Ministry of Environment and Forests of the Government of India and are there any projects identified in Andhra Pradesh for such aid?

SHRI EDUARDO FALEIRO: World Bank itself consists of two institutions,

IBRD and IDA, for this type of assistance and there are so many other arrangements of assistance like Aid India Consortium. Different countries formulate assistance for different purposes and in different patterns. We have bilateral arrangements, we have multilateral arrangements, and it will not be possible for me to give a detailed list of projects. A large number of agencies are funding...

MR. CHAIRMAN: Next question, 184.

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**WELCOME TO THE PARLIAMENTARY DELEGATION FROM THE PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN**

MR. CHAIRMAN: Honourable Members, I have an announcement to make. We have with us this morning, seated in the Special Box, Members of a Parliamentary Delegation from the People's Democratic Republic of Yemen, which is currently on a visit to our country under the distinguished leadership of His Excellency Dr. Saeed Abdul Khair Al-Noban, Member of the Presidium and Chairman of the Social and Cultural Committee of the Supreme People's Council. The other Members of the Delegation are Mr. Ahmed Mahfood Omer, M.P., and Miss Hasina Mohsen Obaid, M.P.

On behalf of the Members of the House and on my own behalf, I take pleasure in extending a very hearty welcome to the Leader and other Members of the Delegation and wish our distinguished guests a very enjoyable and fruitful stay in our country.

We hope that during their stay here, they would be able to see and learn more about our Parliamentary system, our country and our people, and their visit to this country will further strengthen the friendly bonds that exist between us.

Through them we convey our greetings and best wishes to the Members of the Presidium of the Supreme People's Council and the friendly people of the People's Democratic Republic of Yemen.

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**ORAL ANSWERS TO QUESTIONS—** *contd.*

**Financial Assistance from Japan for Cancer Centres**

*184. HSRI BHAGATRAM MANHAR:†

SHRI BIR BHADRA PRATAP SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that India has recently signed an agreement with Japan according to which Japan will extend assistance of Rs. 13.63 crores for the improvement of medical equipment to be used at various Cancer Centres in India; and

(b) if so, what are the salient features of the agreement?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Notes were exchanged on 8-11-1988 between Japan and India for extension of Japanese grant assistance of Yen 1,252 million (equivalent to Rs. 13.63 crores approximately) to India for the year 1988-89. Out of the grant assistance of Yen 1,252 million an amount of Yen 641 million (equivalent to Rs. 6.98 crores approximately) is earmarked for the improvement of medical equipment of regional cancer centres in the country.

(b) The assistance is on a 100 per cent grant basis.

SHRI BHAGATRAM MANHAR: Sir, may I know from the honourable Minister whether it is a fact that the Seventh Plan allocation for the deve-

†The question was actually asked on the floor of the House by Shri Bhagatram Manhar.